

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Public Utilities Act is amended by adding
5 Sections 17-800, 17-801, 17-802, 17-803, 17-804, 17-805, and
6 17-806 as follows:

7 (220 ILCS 5/17-800 new)

8 Sec. 17-800. Definitions. For purposes of this Section and
9 Sections following this Section and preceding Section 17-807:

10 "Board" means the Board of Directors elected to run and
11 operate the Southern Illinois Aggregate for the Viability of
12 Energy Solutions Program pursuant to this Act.

13 "Company" means any business entity that provides, or has
14 provided, electric service in the program area within the 6
15 months preceding the effective date of this amendatory Act of
16 the 95th General Assembly.

17 "Competitive service provider" or "CSP" means the company
18 or entity chosen by the Southern Illinois Aggregate for Viable
19 Energy Solutions Program to provide electric power to
20 residential customers in the program area.

21 "Customer" means any person, business, or other entity in
22 the program area that has received residential, commercial, or
23 industrial electricity within the 12 months immediately

1 preceding this amendatory Act of the 95th General Assembly.

2 "Program area" means any municipality and part of a county
3 that is not a municipality situated within the counties of
4 Alexander, Clay, Edwards, Effingham, Franklin, Gallatin,
5 Hamilton, Hardin, Jackson, Jasper, Jefferson, Johnson, Marion,
6 Massac, Perry, Pope, Pulaski, Randolph, Richland, Saline,
7 Wabash, Washington, Wayne, White, Williamson, and Union and
8 does not mean any portion of these areas that receive electric
9 service from a municipality that owns and operates its own
10 electric distribution system or electric cooperative, as
11 defined in Section 3.4 of the Electric Supplier Act.

12 "Program member" means any municipality or part of a county
13 that is not a municipality that is in the program area and has
14 elected to join the SAVES Program.

15 "Southern Illinois Aggregate for Viable Energy Solutions
16 Program" or "SAVES Program" means the entity created by the
17 program members situated within the program area that have
18 chosen to participate in municipal aggregation, pursuant to
19 this amendatory Act of the 95th General Assembly.

20 (220 ILCS 5/17-801 new)

21 Sec. 17-801. Southern Illinois Aggregate for Viable Energy
22 Solutions (SAVES) Program.

23 (a) There is hereby created a Southern Illinois Aggregate
24 for Viable Energy Solutions (SAVES) Program that shall be
25 available to all people in the program area receiving electric

1 service from an investor-owned utility, but shall not be
2 available to customers that receive residential, commercial,
3 or industrial electric service from a municipality that owns
4 and operates its own electric distribution system or electric
5 cooperative, as defined in Section 3.4 of the Electric Supplier
6 Act.

7 (b) The SAVES Program shall be a not-for-profit program,
8 but the Board of Directors will be entitled to pay reasonable
9 expenses and reimbursements necessary to carry out the purposes
10 of the program.

11 (c) The SAVES Program is authorized to aggregate the retail
12 and wholesale electrical load of customers within its
13 boundaries.

14 (d) The SAVES Program shall be governed by a Board of
15 Directors.

16 (220 ILCS 5/17-802 new)

17 Sec. 17-802. Program membership; ordinance.

18 (a) At any time after the effective date of this amendatory
19 Act of the 95th General Assembly, a municipality and part of a
20 county that is not a municipality within the program area may
21 aggregate the retail and wholesale electrical load located in
22 its boundaries either individually or jointly with any other
23 municipality or part of a county that is not a municipality in
24 the program area by becoming a member of the SAVES Program. A
25 corporate authority of a municipality or part of a county that

1 is not a municipality within the program area seeking to become
2 a member of the SAVES Program shall adopt an ordinance under
3 which it may aggregate one or more classes of the retail or
4 wholesale electrical loads. The ordinance shall specify that
5 the aggregation shall occur automatically for all such electric
6 account holders unless the account holder declines by choosing
7 to opt out.

8 (b) Before adopting an ordinance to become a member of the
9 SAVES Program, the municipality or part of a county that is not
10 a municipality shall hold at least one public hearing. Before
11 the first hearing, the municipality or part of a county that is
12 not a municipality shall publish notice of the hearing once a
13 week for 2 consecutive weeks in a newspaper of general
14 circulation in the jurisdiction. The notice shall summarize the
15 ordinance, plan, and state the date, time, and location of each
16 hearing.

17 Once an ordinance is passed and a municipality or part of a
18 county that is not a municipality has chosen to become a member
19 of the SAVES Program, an agreement shall be entered into with
20 the Board of Directors of the SAVES Program detailing the
21 rights, duties, and obligations of the program members and the
22 SAVES Program. The Board shall adopt an agreement that takes
23 into account the needs and capability of its members to receive
24 electric power.

1 Sec. 17-803. Board of directors.

2 (a) The SAVES Program shall consist of a Board of Directors
3 consisting of 11 members. The first 5 members appointed to the
4 Board shall serve for an initial term of 3 years and the
5 remaining members shall serve for an initial term of 2 years.
6 Each director shall hold office until a successor has been
7 appointed. Thereafter, all terms shall be for a period of 3
8 years.

9 (b) The Board of Directors shall consist of members who
10 live in the program area and who have not worked for an
11 investor owned utility in the 3 years preceding their
12 nomination to the Board of Directors.

13 (c) The corporate authorities of the program members shall
14 appoint the initial Board of Directors within 3 months after
15 the effective date of this amendatory Act of the 95th General
16 Assembly by using their weighted vote. Each municipality or
17 part of a county that is not a municipality that has adopted an
18 ordinance as required under this amendatory Act of the 95th
19 General Assembly and is a member of the SAVES Program at the
20 time of the election shall have a weighted vote that is equal
21 to the number of residents that were listed as residing in that
22 municipality or part of a county that is not a municipality.
23 The number of residents shall be the number listed with the
24 United States Census Bureau in 2000, including any updated
25 census information that has since been accepted by the United
26 States Census Bureau.

1 (d) The members of the Board of Directors shall consist of
2 the following:

3 (1) 3 directors shall be residents of a part of a
4 county that is not a municipality in the program area;

5 (2) 3 directors shall be residents of cities with more
6 than 10,000 residents in the program area;

7 (3) 3 directors shall be residents of cities with less
8 than 10,000 residents in the program area; and

9 (4) 2 members shall be residents of the program area.

10 (e) During any subsequent vacancy in the Board of Directors
11 for any reason, the corporate authorities of the program
12 members shall fill the vacancy by applying the weighted vote
13 described in subsection (c) of this Section.

14 (f) No member who sits on the Board of Directors shall
15 receive a salary.

16 (g) Notwithstanding the provisions of any other law, no
17 trustee, officer, or employee of the State, any State agency,
18 or municipality who is appointed a director shall be deemed to
19 have forfeited or shall forfeit his or her office or employment
20 by reason of his or her acceptance of a position on the Board
21 of Directors, his or her service thereon, or his or her
22 employment therewith.

23 (h) The Board of Directors shall choose from among their own
24 number a chairman and vice-chairman. They shall from time to
25 time select such officers and employees, including a chief
26 executive officer and such engineering, marketing, and legal

1 officers and employees as they may require for the performance
2 of their duties and shall prescribe the duties and compensation
3 of each officer and employee. The Board of Directors shall
4 adopt by-laws and rules and regulations suitable to the
5 purposes of this amendatory Act of the 95th General Assembly.

6 (220 ILCS 5/17-804 new)

7 Sec. 17-804. Board of Directors; powers and duties. Except
8 as otherwise limited by this Act, the Board of Directors shall
9 have all of the powers necessary or convenient to carry out the
10 purposes and provisions of the program, including without
11 limiting the generality of the foregoing, the power to:

12 (1) solicit bids, broker, and contract for wholesale
13 and retail electric power and energy services for
14 customers;

15 (2) negotiate and enter into agreements for services to
16 facilitate the sale and purchase of electric energy and
17 other related services. However, if the price for energy
18 would initially exceed the price of the electricity
19 available from an investor owned utility that serves the
20 area, then the agreement shall not be approved by the Board
21 of Directors, unless the price for energy under the
22 aggregation plan will be lower than the price of the
23 electricity available from an investor owned utility that
24 serves the area in the subsequent years or the excess price
25 is due to the purchase of renewable energy;

1 (3) make and execute agreements, contracts, and other
2 instruments necessary or convenient in the exercise of the
3 powers and functions of the SAVES Program under this
4 amendatory Act of the 95th General Assembly, including
5 contracts with any person, firm, corporation,
6 municipality, or part of a county that is not a
7 municipality, State agency, or other entity;

8 (4) enter into agreements to purchase power from the
9 State, any State agency, any municipality, or part of a
10 county that is not a municipality, any private entity, or
11 any other available source at such price or prices as may
12 be negotiated for the purchase of such power;

13 (5) enter into intergovernmental agreements with
14 program members for the provision of services consistent
15 with the program;

16 (6) maintain an office or offices at such place or
17 places in the State as it may determine;

18 (7) make any inquiry, investigation, survey, or study
19 which the SAVES Program may deem necessary to enable it
20 effectively to carry out the provisions of this amendatory
21 Act of the 95th General Assembly; and

22 (8) implement toll-free telephone numbers and Internet
23 websites that shall allow customers and residents in the
24 program area to obtain information on the SAVES Program.

1 Sec. 17-805. Plan of operation and governance.

2 (a) The Board shall adopt an operation and governance plan
3 for the program. The operation and governance plan adopted
4 shall detail the services to be provided by the SAVES Program
5 and shall specify all customer rights and obligations of the
6 SAVES Program and the customers. The plan shall be sufficiently
7 detailed to allow customers to readily understand the services
8 that the SAVES Program is to provide and to compare those
9 services to similar services provided by other electricity
10 providers. The SAVES Program shall write the plan in clear and
11 plain language so that consumers may readily understand it. The
12 plan shall contain all of the following:

13 (1) A detailed description of services the SAVES
14 Program is to provide to the customers and noting whether
15 the service is to be provided directly by the SAVES Program
16 or by a party contracted by the SAVES Program.

17 (2) A detailed description of the SAVES Program's plan
18 for providing the required opt-out disclosure notices to
19 customers. The plan shall describe the steps that the SAVES
20 Program shall take to ensure that all customers within the
21 SAVES Program's boundaries are notified. The plan shall
22 also identify the time frames associated with the opt-out
23 disclosure notice.

24 (3) A detailed description of the SAVES Program's
25 customer service procedures and dispute resolution
26 processes.

1 (4) A detailed description of the policies associated
2 with a customer moving into the aggregation area or within
3 the aggregation area. The SAVES Program shall provide the
4 customer an opportunity to opt out of the aggregation. A
5 customer may opt out of the SAVES Program at any time
6 without penalty.

7 (5) A description of the SAVES Program's policies
8 regarding the ability of a customer who has previously
9 opted out of the aggregation to join the aggregation,
10 including identification of any associated conditions.

11 (b) Any customer that leaves the aggregation program shall
12 default to the bundled utility service until the person chooses
13 an alternative supplier or returns to the aggregation program.

14 (c) The SAVES Program shall keep its operation and
15 governance plan available for public inspection and shall, upon
16 request, provide a copy of the plan to any existing or
17 potential customer of the aggregation.

18 (d) The SAVES Program shall not alter its operation and
19 governance plan in any way that materially affects the
20 customers of the aggregation without first providing notice to
21 all affected customers and providing these customers the
22 opportunity to opt out of the aggregation according to the
23 procedures established for the initial opt-out disclosure
24 notice. The notice shall set forth the changes to the plan,
25 inform the customer of its right to opt out of the aggregation
26 without penalty, and identify the method and time frame for the

1 customer to opt out.

2 (220 ILCS 5/17-806 new)

3 Sec. 17-806. Duties and obligations.

4 (a) The SAVES Program and the program members shall not
5 require any license or permission from the Commission nor shall
6 it be subject to the jurisdiction of the Commission.

7 (b) A company must provide the SAVES Program with a list of
8 all eligible customers within the jurisdictional boundaries of
9 the SAVES Program. The list shall contain information
10 consistent with the information required by the program member
11 to facilitate customer communications. The SAVES Program must
12 be provided with an updated customer list from the company
13 every 3 months. The company shall provide coordination services
14 consistent with Federal Energy Regulatory Commission
15 guidelines and other applicable laws, rules, and regulations
16 that affect the distribution and transmission of electric
17 power. The company must provide customers participating in the
18 SAVES Program with information about changes in the market
19 price and wires charges.

20 (c) It shall be the responsibility of the program member,
21 or its designee, to notify customers prior to enrollment of all
22 of the following:

23 (1) Actions taken to select the CSP.

24 (2) Services that the CSP provide and actual terms and
25 conditions under which the CSP is providing those services.

1 (3) Fixed prices are to be expressed in cents per
2 kilowatt-hour. Variable rates must include a description
3 of factors that cause the rate to vary and how often this
4 shall occur.

5 (4) Information comparing rates by the current
6 electric provider and the CSP.

7 (5) Itemized list of fees and charges, if any, that are
8 not included in the rates.

9 (6) Dates covered by the CSP's offer.

10 (7) That if the customer switches back to service with
11 the company the customer shall return to the rates that are
12 in effect in the area at the time the customer switches
13 back.

14 (8) Credit and deposit policies.

15 (9) Limitations or conditions for customer inclusion.
16 A customer shall not be enrolled as part of an opt-out
17 program unless it is clearly disclosed, prior to the
18 aggregation taking effect, that the person will be enrolled
19 automatically in the aggregation program and shall remain
20 so enrolled unless the person affirmatively elects by a
21 stated procedure not to be enrolled.

22 (10) Explanation of opt-out process steps necessary to
23 exercise the customer's option and any associated time
24 frame for a response. The process must, at a minimum, allow
25 for the return of a post card and must allow at least 21
26 calendar days from the date of the postmark for the

1 customer to respond.

2 (11) A local or toll-free telephone number for
3 questions.

4 The SAVES Program or the program members shall not release
5 to the CSP any information pertaining to any customers that are
6 not active participants in the program. The SAVES Program, or
7 its designee, must maintain a record of the customer's opt out
8 decision.

9 Section 99. Effective date. This Act takes effect upon
10 becoming law.